

## **Exhibit I**

### **6 Myths About the Future of Small Towns**

**by Milan Wall and Vicki Luther, Ph.D.  
Co-Directors, Heartland Center for Leadership Development**

These myths represent common misunderstandings that are part of today's debate about rural community survival. What gets ignored in the debate are those examples of thriving small communities where leaders ignore dire predictions and push ahead to make a difference, even when times are tough. The mythology surrounding small towns often works against the most productive approaches to rural community development. Approaches that work emphasize locally based ideas and self-reliance, focusing on what can happen when people of vision work together to get things done.

#### **MYTH 1      Towns that are 'Too Small' have No Future**

Mythology about small towns says that there is a certain population number that can support a community and no less. That number may be 2500 or 1000 or 500, depending on whose "expertise" is being quoted. The truth is that there is no magical number at which a town can survive. Research has shown that even very tiny towns, with populations as small as 100 and less, manage to survive through thoughtful planning, entrepreneurial genius and hard work. No community should perceive itself as "too small" to survive. In fact, small towns can use size as a competitive advantage. As with a small business, the smaller community can retain a certain flexibility. Without the disadvantages of city bureaucracy, it can respond faster to new trends and changing marketplace opportunities. Like a small business, it can seek its own unique niche.

#### **MYTH 2      A Community's Location is Key to its Survival**

Dependence on proximity to a major highway, a large metropolitan area or a significant natural resource is typical of industrial-age thinking that believes a community's success hinges on location. This type of thinking may have been more important in the past, when industry and agriculture employed most rural job holders. Today, however, with growth in the service, information, and government sectors, the old industrial age factors have lesser importance. Now, the key is "what community leaders do with what is available." This translates as attitudes and behaviors of people in leadership. In other words, in an "Information Age," leadership, not location, is the most important factor in community survival.

#### **MYTH 3      Best Strategy for Economic Development**

Recruiting new industries is still the strategy of choice among many small towns and economic development experts, even though study after study suggests that industrial recruitment, alone, is not a realistic long-term answer. Too often, small towns have wasted all their time, energy and money trying to attract new industry, only to learn that they should have been working harder to keep the employers they already have. Small towns that throw all their eggs into the business recruitment basket are taking a big risk. They're competing for a few expansions or relocations against thousands of other small towns just like themselves nationwide. They should be working on a broader strategy that emphasizes growing from within, first, and, then recruiting from the outside.

#### **MYTH 4      Small Towns Can't Compete in the Global Economy**

Too many people seem convinced that small towns can't compete in a global economy. Yet small towns throughout America are home to an amazing variety of highly sophisticated, entrepreneurial successes. Many rural communities have small manufacturers that are producing high quality

products for a unique marketing niche, which extends beyond the local area to a regional, national or even international market. With access to toll free incoming telephone lines, cross-country package shippers, and the Internet, businesses can compete in the global marketplace. Because they are located in a smaller and often less complex local business environment, they may be able to compete by moving quickly to take advantage of fast-moving marketplace opportunities.

**MYTH 5      The "Best People" Leave Small Towns as Soon as They Can**

The continuing decline of population in most rural areas remains a problem. But this fact is often described in inaccurate and unproductive ways. Too often, even rural people use the term "brain drain" as if it meant that anyone with brains would get out. They act as if the "best and brightest" should leave to seek better opportunities in the cities or to get a higher education, never to return. It is true that many people find opportunities elsewhere, but it's also true that many capable people stay in small towns or return to them. As small town leaders, they make priceless contributions to local quality of life, giving time and attention to civic affairs, service clubs, school events and family matters. State and local leaders should stop acting as if the "brain drain" means that no talent is left.

**MYTH 6      The Rural and Urban Economies are Not Interdependent**

Another myth about rural communities says that larger metropolitan areas are more important than smaller communities in our nation's economy. It's not really news that rural industries such as agriculture, mining or land management are playing a smaller role in the rural-urban economic mix. This doesn't mean, however, that cities and counties could maintain their quality of life without farm products, coal, oil and the natural resources available to the city and country person alike. Many city residents are nostalgic or sentimental about small towns, but they often forget that our essential raw materials need dynamic rural infrastructures to get from rural to urban markets. Understanding myths like these is key to stopping their negative influence on community survival. Focusing on the positive aspects of small towns and maintaining a creative outlook on all development strategies will insure community vitality for years to come. Total community involvement and a strong sense of pride can put an end to the myths and pave the way for successful rural community living.